

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re: CHINA NATURAL GAS, INC.

§ Case No. 13-10419-SHL

§  
§  
§

Debtor(s)

**INTERIM TRUSTEE'S FINAL REPORT (TFR)**

The undersigned trustee hereby makes this interim Final Report and states as follows:

1. A petition under Chapter 11 of the United States Bankruptcy Code was filed on February 08, 2013. The case was converted to one under Chapter 7 on July 02, 2014. The undersigned trustee was appointed on July 08, 2014.
2. The trustee faithfully and properly fulfilled the duties enumerated in 11 U.S.C. §704.
3. All scheduled and known assets of the estate have been reduced to cash, released to the debtor as exempt property pursuant to 11 U.S.C. § 522, or have been or will be abandoned pursuant to 11 U.S.C. § 554. An individual estate property record and report showing the disposition of all property of the estate is attached as **Exhibit A**.
4. The trustee realized the gross receipts of \$ 377,810.00

Funds were disbursed in the following amounts:

Payments made under an interim distribution	<u>0.00</u>
Administrative expenses	<u>63,209.87</u>
Bank service fees	<u>5,561.72</u>
Other payments to creditors	<u>0.00</u>
Non-estate funds paid to 3rd Parties	<u>0.00</u>
Exemptions paid to the debtor	<u>0.00</u>
Other payments to the debtor	<u>0.00</u>
Leaving a balance on hand of <sup>1</sup>	\$ <u>309,038.41</u>

The remaining funds are available for distribution.

5. Attached as **Exhibit B** is a cash receipts and disbursements record for each estate bank account.

<sup>1</sup> The balance of funds on hand in the estate may continue to earn interest until disbursed. The interest earned prior to disbursement will be distributed pro rata to creditors within each priority category. The trustee may receive additional compensation not to exceed the maximum compensation set forth under 11 U.S.C. § 326(a) on account of the disbursement of the additional interest.

6. The deadline for filing non-governmental claims in this case was 01/30/2015 and the deadline for filing governmental claims was 08/07/2013. All claims of each class which will receive a distribution have been examined and any objections to the allowance of claims have been resolved. If applicable, a claims analysis, explaining why payment on any claim is not being made, is attached as **Exhibit C**.

7. The Trustee's proposed interim distribution is attached as **Exhibit D**.

8. Pursuant to 11 U.S.C. § 326(a), the maximum compensation allowable to the trustee is \$22,140.50. To the extent that additional interest is earned before case closing, the maximum compensation may increase.

The trustee has received \$0.00 as interim compensation and now requests the sum of \$18,819.43, for a total compensation of \$18,819.43.<sup>2</sup> In addition, the trustee received reimbursement for reasonable and necessary expenses in the amount of \$0.00 and now requests reimbursement for expenses of \$16.71, for total expenses of \$16.71.<sup>2</sup>

Pursuant to Fed R Bank P 5009, I hereby certify, under penalty of perjury, that the foregoing report is true and correct.

Date: 11/07/2016 By:/s/Alan Nisselson, Trustee  
Trustee

**STATEMENT:** This Uniform Form is associated with an open bankruptcy case, therefore, Paperwork Reduction Act exemption 5 C.F.R. §1320.4(a)(2) applies.

<sup>2</sup>If the estate is administratively insolvent, the dollar amounts reflected in this paragraph may be higher than the amounts listed in the Trustee's Proposed Distribution (Exhibit D)

**Form 1**  
**Individual Estate Property Record and Report**  
**Asset Cases**

Case Number: 13-10419-SHL

Case Name: CHINA NATURAL GAS, INC.

Period Ending: 11/08/16

Trustee: (521090) Alan Nisselson, Trustee

Filed (f) or Converted (c): 07/02/14 (c)

§341(a) Meeting Date: 08/21/14

Claims Bar Date: 01/30/15

1 Ref. #	2 Asset Description (Scheduled And Unscheduled (u) Property)	3 Petition/ Unscheduled Values	4 Estimated Net Value (Value Determined By Trustee, Less Liens, Exemptions, and Other Costs)	5 Property <u>Abandoned</u> OA=§554(a)	6 Sale/Funds Received by the Estate	6 Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1	Bank Accounts (u)	123,394.35	123,394.35		2,582.00	FA
2	100% Interest in Two Subsidiaries Subsuduaries are Shaanxi Xilan Natural Gas Equipment Co., Ltd. and Xilan Energy Co., Ltd	Unknown	250,000.00		125,000.00	125,000.00
3	Intercompany Receivables	Unknown	Unknown		0.00	FA
4	SEC Refund (u)	0.00	228.00		228.00	FA
5	Security Action Settlement (u) Order Signed On 3/8/2016, Approving (A) Stipulations of Settlement of (i) A Securities Class Action Against the Debtor, and (ii) the Trustee's Claims Against Former Directors and Officers, and (B) a Related Settlement Agreement and Release With XL Insurance Company SE. (Doc. No. 197).	Unknown	0.00		250,000.00	FA
5	<b>Assets</b> <b>Totals</b> (Excluding unknown values)	\$123,394.35	\$373,622.35		\$377,810.00	\$125,000.00

**Major Activities Affecting Case Closing:**

Initial Projected Date Of Final Report (TFR): December 31, 2018

Current Projected Date Of Final Report (TFR): December 31, 2018

## Form 2

### Cash Receipts And Disbursements Record

Page: 1

Case Number: 13-10419-SHL

Trustee: Alan Nisselson, Trustee (521090)

Case Name: CHINA NATURAL GAS, INC.

Bank Name: Rabobank, N.A.

Taxpayer ID #: \*\*-\*\*1607

Account: \*\*\*\*\*8466 - Checking Account

Period Ending: 11/08/16

Blanket Bond: \$68,010,465.00 (per case limit)

Separate Bond: N/A

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	T-Code	5 Receipts \$	6 Disbursements \$	7 Checking Account Balance
10/28/14	{1}	China Natural Gas, Inc.	Turnover of balances Debtor's bank accounts	1290-010	2,582.00		2,582.00
10/31/14		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		10.00	2,572.00
11/07/14	{2}	Abax Global Capital (Hong Kong)	Sale deposit	1129-000	125,000.00		127,572.00
11/28/14		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		123.19	127,448.81
12/31/14		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		207.76	127,241.05
01/05/15	101	International Sureties, Ltd.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 01/05/2015 FOR CASE #13-10419, Bond # 016027942, 1/1/15 to 1/1/16 Voided on 01/05/15	2300-003		74.50	127,166.55
01/05/15	101	International Sureties, Ltd.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 01/05/2015 FOR CASE #13-10419, Bond # 016027942, 1/1/15 to 1/1/16 Voided: check issued on 01/05/15	2300-003		-74.50	127,241.05
01/30/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		183.01	127,058.04
02/27/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		170.57	126,887.47
03/31/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		194.67	126,692.80
04/30/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		182.22	126,510.58
05/29/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		175.89	126,334.69
06/19/15	102	International Sureties, Ltd.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 06/19/2015 FOR CASE #13-10419, Bond # 016030120	2300-000		60.07	126,274.62
06/30/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		193.82	126,080.80
07/31/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		187.39	125,893.41
08/31/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		175.04	125,718.37
09/30/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		192.89	125,525.48
10/01/15	{4}	US Treasury	SEC Refund	1229-000	228.00		125,753.48
10/30/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		180.81	125,572.67
11/30/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		174.59	125,398.08
12/31/15		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		198.41	125,199.67
01/29/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		173.61	125,026.06
03/01/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		173.36	124,852.70
03/31/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		197.02	124,655.68
04/29/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		172.84	124,482.84
05/31/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		172.60	124,310.24
06/28/16	103	International Sureties, Ltd.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 04/30/2016 FOR CASE	2300-000		49.80	124,260.44

Subtotals : \$127,810.00 \$3,549.56

**Form 2**  
**Cash Receipts And Disbursements Record**

Page: 2

Case Number: 13-10419-SHL

Trustee: Alan Nisselson, Trustee (521090)

Case Name: CHINA NATURAL GAS, INC.

Bank Name: Rabobank, N.A.

Taxpayer ID #: \*\*-\*\*1607

Account: \*\*\*\*\*8466 - Checking Account

Period Ending: 11/08/16

Blanket Bond: \$68,010,465.00 (per case limit)

Separate Bond: N/A

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 T-Code	6 Receipts \$	7 Disbursements \$	Checking Account Balance
			#13-10419, Bond # 016030120; Term: 06/19/16 to 06/19/17				
06/30/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		196.16	124,064.28
07/08/16	{5}	China Natural Gas State Law	Settlement	1249-000	250,000.00		374,064.28
07/29/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		435.01	373,629.27
08/24/16	104	Wohl & Fruchter LLP	Fees	3210-600		62,500.00	311,129.27
08/31/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		589.53	310,539.74
09/12/16	105	NYS Corp. Tax	2014 CT-3	2820-000		300.00	310,239.74
09/12/16	106	NYS Corp. Tax	2015 CT-3	2820-000		300.00	309,939.74
09/30/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		472.22	309,467.52
10/31/16		Rabobank, N.A.	Bank and Technology Services Fee	2600-000		429.11	309,038.41

<b>ACCOUNT TOTALS</b>	<b>377,810.00</b>	<b>68,771.59</b>	<b>\$309,038.41</b>
Less: Bank Transfers	0.00	0.00	
<b>Subtotal</b>	<b>377,810.00</b>	<b>68,771.59</b>	
Less: Payments to Debtors		0.00	
<b>NET Receipts / Disbursements</b>	<b>\$377,810.00</b>	<b>\$68,771.59</b>	

Net Receipts :	377,810.00
Net Estate :	\$377,810.00

<b>TOTAL - ALL ACCOUNTS</b>	<b>Net Receipts</b>	<b>Net Disbursements</b>	<b>Account Balances</b>
Checking # *****8466	377,810.00	68,771.59	\$309,038.41
	<b>\$377,810.00</b>	<b>\$68,771.59</b>	<b>\$309,038.41</b>

**E X H I B I T C**  
**ANALYSIS OF CLAIMS REGISTER**      **Claims Bar Date:** January 30, 2015

<b>Case Number:</b>	13-10419-SHL	<b>Page:</b>	1	<b>Date:</b>	November 8, 2016	
<b>Debtor Name:</b>	CHINA NATURAL GAS, INC.			<b>Time:</b>	10:29:37 AM	
Claim #	Creditor Name & Address	Claim Type	Claim Ref. No. / Notes	Amount Allowed	Paid to Date	Claim Balance
200	Alan Nisselson, Trustee  156 West 56th Street New York, NY 10019	Admin Ch. 7		\$18,819.43	\$0.00	18,819.43
200	Alan Nisselson, Trustee  156 West 56th Street New York, NY 10019	Admin Ch. 7		\$16.71	\$0.00	16.71
200	Windels Marx Lane & Mittendorf, LLP  156 West 56th St. New York, NY 10019	Admin Ch. 7		\$155,867.90	\$0.00	155,867.90
200	Windels Marx Lane & Mittendorf, LLP  156 West 56th St. New York, NY 10019	Admin Ch. 7		\$2,040.33	\$0.00	2,040.33
200	Wohl & Fruchter LLP  40 Astor Place Monsey, NY 10952	Admin Ch. 7		\$62,500.00	\$62,500.00	0.00
200	Joseph A. Broderick, P.C.  734 Walt Whitman Road Suite 204 Melville, NY 11747	Admin Ch. 7		\$3,034.50	\$0.00	3,034.50
16A	Shearman & Sterling LLP  Jerome S. Fortinsky 599 Lexington Avenue New York, NY 10022	Admin Ch. 7		\$0.00	\$0.00	0.00
200				Sherman & Sterling (Trustee's special counsel) filed Claim No. 16 for legal services provided to the Debtor in the Securities Action. The Claim is comprised of \$17,423.50 as a Chapter 7 administrative expense claims and the remainder as a Chapter 11 Administrative Expenses Claim. Under the terms of the Order authorizing the Trustee's retention of Sherman & Sterling as his special counsel (Doc. No. 188), the firm's fees are to be paid by XL Insurance under the Debtor's D&O Policy. Accordingly, this claim is deemed satisfied.		
20	Office of the United States Trustee  U.S. Federal Office Building 201 Varick Street, Room 1006 New York, NY 10014	Admin Ch. 7		\$2,925.00	\$0.00	2,925.00
16B	Shearman & Sterling LLP  Jerome S. Fortinsky 599 Lexington Avenue New York, NY 10022	Admin Ch. 11		\$0.00	\$0.00	0.00
300				Sherman & Sterling (Trustee's special counsel) filed Claim No. 16 for legal services provided to the Debtor in the Securities Action. The Claim is comprised of \$17,423.50 as a Chapter 7 administrative expense claims and the remainder as a Chapter 11 Administrative Expenses Claim. Under the terms of the Order authorizing the Trustee's retention of Sherman & Sterling as his special counsel (Doc. No. 188), the firm's fees are to be paid by XL Insurance under the Debtor's D&O Policy. Accordingly, this claim is deemed satisfied.		

**E X H I B I T C**  
**ANALYSIS OF CLAIMS REGISTER**      **Claims Bar Date:** January 30, 2015

<b>Case Number:</b>	13-10419-SHL	<b>Page:</b>	2	<b>Date:</b>	November 8, 2016	
<b>Debtor Name:</b>	CHINA NATURAL GAS, INC.			<b>Time:</b>	10:29:38 AM	
Claim #	Creditor Name & Address	Claim Type	Claim Ref. No. / Notes	Amount Allowed	Paid to Date	Claim Balance
1P-2 570	Internal Revenue Service Pay P.O. Box 7317 Philadelphia, PA 19101-7317	Priority	Miscellaneous penalties for 2009	\$6,346.43	\$0.00	6,346.43
13S 100	John T. Carroll, III Cozen O'Connor 1201 North Market St., Suite 1001 Wilmington, DE 19801	Secured	Upon motion of claimant and by Order dated 8/11/2014, claimant was authorized to apply retainer in its possession to unpaid legal fees (Doc. No. 159).	\$0.00	\$0.00	0.00
1U-2 610	Internal Revenue Service Pay P.O. Box 7317 Philadelphia, PA 19101-7317	Unsecured	Miscellaneous penalties for 2006	\$125,390.52	\$0.00	125,390.52
2 610	Proskauer Rose LLP Attn: Jeffrey W. Levitan, Esq. Eleven Times Square New York, NY 10036-8299	Unsecured	Legal Services, Claimant obtained Default Judgment on 7/27/2012 in action commenced against Debtor in Superior Court for State of Delaware District Court	\$1,258,858.46	\$0.00	1,258,858.46
3 610	Laurence M. Rosen The Rosen Law Firm, P.A. 275 Madison Avenue, 34th Floor New York, NY 10016	Unsecured	The Rosen Law Firm, P.A. filed Claim No. 3 as a general unsecured claim in the amount of \$60.9 million on behalf of the class plaintiffs in Skeway v. China Natural Gas, Inc. (the Securities Action). On January 28, 2016 the parties entered into a settlement agreement pursuant to which the plaintiffs were awarded \$1.5 million in exchange for release of all claims against defendants, including the Debtor's Estate. That settlement was approved by the Delaware District Court by order dated June 2, 2016. This settlement, as well as the fees of Sherman & Sterling, were paid by XL Insurance Company SE under the Debtor's D&O Policy.	\$0.00	\$0.00	0.00
4 610	Richards, Layton & Finger, P.A. Attn: Marisa A. Terranova, Esq. 920 N. King Street Wilmington, DE 19801	Unsecured	Unpaid legal services provided in 2011	\$30,000.00	\$0.00	30,000.00
5 610	DB Trustee (Hong Kong) Limited, as Trustee, Collat c/o Seward & Kissel LLP One Battery Park Plaza New York, NY 10004	Unsecured		\$43,038,049.09	\$0.00	43,038,049.09
6 610	Abax Lotus, c/o Abax Global Capital (HK) Ltd. 8 Finance St. St. 6708 Two International Finance Center Central & Western Dist., Hk,	Unsecured	Claim is for Senior Notes. Claimant is Purchaser of Debtor's 100% Equity Interest in Shaanxi. Under terms of Asset Purchase Agreement dated 10/14/2014 (See Exh. A to Sale Motion, Doc. No. 162), approved by Order dated 12/18/2014 (Doc. No. 175), Abax Lotus and Abax Nai Xin, agreed to reduce total amount of Claim Nos. 6, 7, 8, 9 and 10 (the "Abax Claims") (which total \$66,277,234.98) to \$4,435,558.97 which represents a \$61,841,676.0181 reduction of 93.3% from each of the Abax Claims.	\$591,723.17	\$0.00	591,723.17
			The allowed amount of \$4,435,558.97 is pro rated among Claim Nos. 6, 7, 8, 9 and 10.			

**E X H I B I T C**  
**ANALYSIS OF CLAIMS REGISTER**      **Claims Bar Date:** January 30, 2015

<b>Case Number:</b>	13-10419-SHL	<b>Page:</b>	3	<b>Date:</b>	November 8, 2016	
<b>Debtor Name:</b>	CHINA NATURAL GAS, INC.			<b>Time:</b>	10:29:38 AM	
Claim #	Creditor Name & Address	Claim Type	Claim Ref. No. / Notes	Amount Allowed	Paid to Date	Claim Balance
			Additional Claimant Address: Abax Lotus Ltd. c/o Abax Global Capital (HK) Limited 8 Finance St, Ste 6708, 67th Flr Two International Finance Centre Central & Western Dist, Hong Kong Attn: Richard Yee			
7 610	Abax Lotus, c/o Abax Global Capital (HK) Ltd. 8 Finance St. St. 6708 Two International Finance Center Central & Western Dist., Hk,	Unsecured		\$250,982.14	\$0.00	250,982.14
			Claim is for 7 year Warrants issued by Debtor.			
			Claimant is Purchaser of Debtor's 100% Equity Interst in Shaanxi. Under terms of Asset Purchase Agreement dated 10/14/2014 (See Exh. A to Sale Motion, Doc. No. 162), approved by Order dated 12/18/2014 (Doc. No. 175), Abax Lotus and Abax Nai Xin, agreed to reduce total amountof Claim Nos. 6, 7,8, 9 and 10 (the "Abax Claims") (which total \$66,277,234.98 ) to \$4,435,558.97 which represents a \$61,841,676.0181 reduction of 93.3% from each of the Abax Claims.			
			The allowed amount of \$4,435,558.97 is pro rated among Claim Nos. 6, 7, 8, 9 and 10.			
			Abax Lotus Ltd. c/o Abax Global Capital (HK) Limited 8 Finance St, Ste 6708, 67th Flr Two International Finance Centre Central & Western Dist, Hong Kong Attn: Richard Yee			
8 610	Abax Nai Xin A Ltd. c/o Abax Global Capital (HK) Ltd. 8 Finance St. St. 6708 Two International Finance Center Central & Western Dist., Hk,	Unsecured		\$591,723.16	\$0.00	591,723.16
			Claim is for guaranteed senior notes.			
			Claimant is Purchaser of Debtor's 100% Equity Interst in Shaanxi. Under terms of Asset Purchase Agreement dated 10/14/2014 (See Exh. A to Sale Motion, Doc. No. 162), approved by Order dated 12/18/2014 (Doc. No. 175), Abax Lotus and Abax Nai Xin, agreed to reduce total amountof Claim Nos. 6, 7,8, 9 and 10 (the "Abax Claims") (which total \$66,277,234.98 ) to \$4,435,558.97 which represents a \$61,841,676.0181 reduction of 93.3% from each of the Abax Claims.			
			The allowed amount of \$4,435,558.97 is pro rated among Claim Nos. 6, 7, 8, 9 and 10.			
			Abax Lotus Ltd. c/o Abax Global Capital (HK) Limited 8 Finance St, Ste 6708, 67th Flr Two International Finance Centre Central & Western Dist, Hong Kong Attn: Richard Yee			

**EXHIBIT C**  
**ANALYSIS OF CLAIMS REGISTER**      **Claims Bar Date:** January 30, 2015

<b>Case Number:</b>	13-10419-SHL	<b>Page:</b>	4	<b>Date:</b>	November 8, 2016	
<b>Debtor Name:</b>	CHINA NATURAL GAS, INC.			<b>Time:</b>	10:29:38 AM	
Claim #	Creditor Name & Address	Claim Type	Claim Ref. No. / Notes	Amount Allowed	Paid to Date	Claim Balance
9 610	Abax Nai Xin A Ltd. c/o Abax Global Capital (HK) Ltd. 8 Finance St. St. 6708 Two International Finance Center Central & Western Dist., Hk,	Unsecured		\$891,923.73 Claim is for 7 year warrants issued by Debtor.	\$0.00	891,923.73
				Claimant is Purchaser of Debtor's 100% Equity Interst in Shaanxi. Under terms of Asset Purchase Agreement dated 10/14/2014 (See Exh. A to Sale Motion, Doc. No. 162), approved by Order dated 12/18/2014 (Doc. No. 175), Abax Lotus and Abax Nai Xin, agreed to reduce total amountof Claim Nos. 6, 7,8, 9 and 10 (the "Abax Claims") (which total \$66,277,234.98 ) to \$4,435,558.97 which represents a \$61,841,676.0181 reduction of 93.3% from each of the Abax Claims.		
				The allowed amount of \$4,435,558.97 is pro rated among Claim Nos. 6, 7, 8, 9 and 10.		
				Abax Lotus Ltd. c/o Abax Global Capital (HK) Limited 8 Finance St, Ste 6708, 67th Flr Two International Finance Centre Central & Western Dist, Hong Kong Attn: Richard Yee		
10 610	Abax Nai Xin A Ltd. c/o Abax Global Capital (HK) Ltd. 8 Finance St. St. 6708 Two International Finance Center Central & Western Dist., Hk,	Unsecured		\$2,109,206.77 Claim is for guaranteed senior notes.	\$0.00	2,109,206.77
				Claimant is Purchaser of Debtor's 100% Equity Interst in Shaanxi. Under terms of Asset Purchase Agreement dated 10/14/2014 (See Exh. A to Sale Motion, Doc. No. 162), approved by Order dated 12/18/2014 (Doc. No. 175), Abax Lotus and Abax Nai Xin, agreed to reduce total amountof Claim Nos. 6, 7,8, 9 and 10 (the "Abax Claims") (which total \$66,277,234.98 ) to \$4,435,558.97 which represents a \$61,841,676.0181 reduction of 93.3% from each of the Abax Claims.		
				The allowed amount of \$4,435,558.97 is pro rated among Claim Nos. 6, 7, 8, 9 and 10.		
				Abax Lotus Ltd. c/o Abax Global Capital (HK) Limited 8 Finance St, Ste 6708, 67th Flr Two International Finance Centre Central & Western Dist, Hong Kong Attn: Richard Yee		
11 610	Lake Street Fund, LP c/o First Wilshire Securities Management 1214 East Green Street, Suite 104 Pasadena, CA 91106	Unsecured		\$998,313.74 Claim is based upon Guaranteed Senior Notes issued 1/29/2008 due in 2014	\$0.00	998,313.74

**E X H I B I T C**  
**ANALYSIS OF CLAIMS REGISTER**      **Claims Bar Date:** January 30, 2015

<b>Case Number:</b>	13-10419-SHL	<b>Page:</b>	5	<b>Date:</b>	November 8, 2016	
<b>Debtor Name:</b>	CHINA NATURAL GAS, INC.			<b>Time:</b>	10:29:38 AM	
Claim #	Creditor Name & Address	Claim Type	Claim Ref. No. / Notes	Amount Allowed	Paid to Date	Claim Balance
12 -2 610	Lake Street Fund, LP c/o First Wilshire Securities Management 1214 East Green Street, Suite 104 Pasadena, CA 91106	Unsecured	Claim is for 7 year warrants	\$442,415.00	\$0.00	442,415.00
13U 610	John T. Carroll, III Cozen O'Connor 1201 North Market St., Suite 1001 Wilmington, DE 19801	Unsecured		\$171,022.34	\$0.00	171,022.34
14 610	Lawrence Leighton c/o Richard C. Schoenstein, Esq., New York, NY 10169	Unsecured	Laurence Leighton, a former director of the Debtor, by counsel, filed Claim No. 14 as a general unsecured claim of \$10,000 for indemnification of defense costs.	\$10,000.00	\$0.00	10,000.00
15 610	Frank Waung c/o Richard C. Schoenstein, Esq., New York, NY 10169	Unsecured	Frank Waung, a former director of the Debtor, by counsel, filed Claim No. 14 as a general unsecured claim of \$10,000 for indemnification of defense costs.	\$10,000.00	\$0.00	10,000.00
17 610	WWC, P.C. 2010 Pioneer court San Mateo, CA 94403	Unsecured	Amended by Clam No 18	\$0.00	\$0.00	0.00
18 610	WWC, P.C. 2010 Pioneer Court San Mateo, CA 94403	Unsecured	Claim seeks payment of Audit related Services	\$65,866.52	\$0.00	65,866.52
<b>&lt;&lt; Totals &gt;&gt;</b>				50,837,024.94	62,500.00	50,774,524.94

**TRUSTEE'S PROPOSED INTERIM DISTRIBUTION**

Exhibit D

Case No.: 13-10419-SHL

Case Name: CHINA NATURAL GAS, INC.

Trustee Name: Alan Nisselson, Trustee

**Balance on hand:** \$ 309,038.41

Claims of secured creditors will be paid as follows:

Claim No.	Claimant	Claim Asserted	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
13S	John T. Carroll, III	63,238.45	0.00	0.00	0.00

Total to be paid to secured creditors: \$ 0.00

Remaining balance: \$ 309,038.41

Applications for chapter 7 fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
Trustee, Fees - Alan Nisselson, Trustee	18,819.43	0.00	18,819.43
Trustee, Expenses - Alan Nisselson, Trustee	16.71	0.00	16.71
Attorney for Trustee, Fees - Windels Marx Lane & Mittendorf, LLP	155,867.90	0.00	155,867.90
Attorney for Trustee, Expenses - Windels Marx Lane & Mittendorf, LLP	2,040.33	0.00	2,040.33
Accountant for Trustee, Fees - Joseph A. Broderick, P.C.	3,034.50	0.00	3,034.50
Fees, United States Trustee	2,925.00	0.00	2,925.00
Other Fees: Shearman & Sterling LLP	0.00	0.00	0.00
Other Fees: Wohl & Fruchter LLP	62,500.00	62,500.00	0.00

Total to be paid for chapter 7 administration expenses: \$ 182,703.87

Remaining balance: \$ 126,334.54

Applications for prior chapter fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
Attorney for Special Counsel Fees - Shearman & Sterling LLP	0.00	0.00	0.00

Total to be paid for prior chapter administrative expenses: \$ 0.00

Remaining balance: \$ 126,334.54

In addition to the expenses of administration listed above as may be allowed by the Court, priority claims totaling \$6,346.43 must be paid in advance of any dividend to general (unsecured) creditors.

Allowed priority claims are:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
1P-2	Internal Revenue Service Pay	6,346.43	0.00	6,346.43

Total to be paid for priority claims: \$ 6,346.43  
Remaining balance: \$ 119,988.11

The actual distribution to wage claimants included above, if any, will be the proposed payment less applicable withholding taxes (which will be remitted to the appropriate taxing authorities).

Timely claims of general (unsecured) creditors totaling \$ 50,585,474.64 have been allowed and will be paid *pro rata* only after all allowed administrative and priority claims have been paid in full.

The timely allowed general (unsecured) dividend is anticipated to be 0.2 percent, plus interest (if applicable).

Timely allowed general (unsecured) claims are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
1U-2	Internal Revenue Service Pay	125,390.52	0.00	213.06
2	Proskauer Rose LLP	1,258,858.46	0.00	2,138.93
3	Laurence M. Rosen	0.00	0.00	0.00
4	Richards, Layton & Finger, P.A.	30,000.00	0.00	50.98
5	DB Trustee (Hong Kong) Limited, as Trustee, Collat	43,038,049.09	0.00	73,125.86
6	Abax Lotus, c/o Abax Global Capital (HK) Ltd.	591,723.17	0.00	1,005.40
7	Abax Lotus, c/o Abax Global Capital (HK) Ltd.	250,982.14	0.00	426.44
8	Abax Nai Xin A Ltd. c/o Abax Global Capital (HK) Ltd.	591,723.16	0.00	1,005.40
9	Abax Nai Xin A Ltd. c/o Abax Global Capital (HK) Ltd.	891,923.73	0.00	1,515.47
10	Abax Nai Xin A Ltd. c/o Abax Global Capital (HK) Ltd.	2,109,206.77	0.00	3,583.75
11	Lake Street Fund, LP	998,313.74	0.00	1,696.23

12 -2	Lake Street Fund, LP	442,415.00	0.00	751.71
13U	John T. Carroll, III	171,022.34	0.00	290.58
14	Lawrence Leighton	10,000.00	0.00	16.99
15	Frank Waung	10,000.00	0.00	16.99
17	WWC, P.C.	0.00	0.00	0.00
18	WWC, P.C.	65,866.52	0.00	111.91

Total to be paid for timely general unsecured claims: \$ 85,949.70  
 Remaining balance: \$ 34,038.41

Tardily filed claims of general (unsecured) creditors totaling \$ 0.00 have been allowed and will be paid *pro rata* only after all allowed administrative, priority and timely filed general (unsecured) claims have been paid in full. The tardily filed claim dividend is anticipated to be 0.0 percent, plus interest (if applicable).

Tardily filed general (unsecured) claims are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
	None			

Total to be paid for tardy general unsecured claims: \$ 0.00  
 Remaining balance: \$ 34,038.41

Subordinated unsecured claims for fines, penalties, forfeitures, or damages and claims ordered subordinated by the Court totaling \$ 0.00 have been allowed and will be paid *pro rata* only after all allowed administrative, priority and general (unsecured) claims have been paid in full. The dividend for subordinated unsecured claims is anticipated to be 0.0 percent, plus interest (if applicable).

Subordinated unsecured claims for fines, penalties, forfeitures or damages and claims ordered subordinated by the Court are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
	None			

Total to be paid for subordinated claims: \$ 0.00  
 Remaining balance: \$ 34,038.41